

Oral Hearing:
September 1, 1999

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THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB MAY 31, 00

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Ferrero S.p.A.
v.
Destileria La Central, S.A. de C.V.

Opposition No. 86,585 to application Serial No. 74/070,354
filed on June 18, 1990

G. Franklin Rothwell, Raymond A. Kurz and B. Allison Hoppert of
Rothwell, Figg, Ernst & Kurz for Ferrero S.p.A.

Michael A. Grow and Cristina A. Carvalho of Arent Fox Kintner
Plotkin & Kahn, PLLC for Destileria La Central, S.A. de C.V.

Before Cissel, Hohein and McLeod, Administrative Trademark
Judges.

Opinion by Hohein, Administrative Trademark Judge:

Destileria La Central, S.A. de C.V. has filed an
application to register the mark "TÍC TÁCK" and design, as
reproduced below,

for "cane spirit vodka".¹

Ferrero S.p.A. has opposed registration on the ground that applicant's mark, when applied to applicant's goods, so resembles opposer's "famous" mark "TIC TAC" and variations thereof, which it has previously used and registered for candy, candy mints and t-shirts, as to be likely to cause confusion, mistake or deception. Specifically, opposer has pleaded its ownership of registrations for the following marks and goods:

(1) "TIC TAC" for "candy";²

(2) "TIC TAC" and design, as shown below,

for "candy";³

¹ Ser. No. 74/070,354, filed on June 18, 1990, based upon an allegation of a bona fide intention to use such mark in commerce. Subsequently, by an amendment to allege use received on December 14, 1990, the application was amended to assert dates of first use of September 10, 1990. The application indicates that the terms "Multirrectificado" and "Destilería LA CENTRAL," which with the exception of the words "LA CENTRAL" are disclaimed along with the designation "S. A. de C. V." and all English wording, respectively translate as "Multirectified" and "THE CENTRAL Distillery". In addition, the application states that the English translation of the phrase "EL LICOR NACIONAL DE LOS SALVADORENOS" is "THE NATIONAL LIQUOR OF THE SALVADORANS".

² Reg. No. 983,418, issued on May 7, 1974, which is based upon ownership of Italian Reg. No. 228,600, dated July 2, 1968; first renewal.

³ Reg. No. 1,014,803, issued on July 1, 1975, which sets forth a date of first use anywhere of 1968 and a date of first use in commerce of July 1970; first renewal.

(3) "TIC TAC" and design, as illustrated
below,

for "candy mints";⁴

(4) "TIC TAC" and design, as depicted
below,

for "candy mints";⁵

(5) "TIC TAC" and design, as reproduced
below,

for "candy mints";⁶

⁴ Reg. No. 1,220,224, issued on December 14, 1982, which sets forth dates of first use of June 6, 1981; affidavit §8 accepted. The words "The 1½ calorie breath mint" are disclaimed. In addition, the mark is lined for the colors green, red and gold, but no claim is made as to color.

⁵ Reg. No. 1,269,408, issued on March 6, 1984, which sets forth dates of first use of March 17, 1980; affidavit §8 accepted. The phrase "1½ CALORIES PER MINT" is disclaimed. Additionally, the mark is lined for the color red and such color is claimed as a portion of the mark.

(6) "TIC TAC" for "clothing, namely, t-shirts";⁷

(7) "TIC TAC" and design, as shown below,

for "candy";⁸

(8) "TIC TAC" and design, as illustrated below,

for "candy";⁹

⁶ Reg. No. 1,343,041, issued on June 18, 1985, which sets forth dates of first use of March 7, 1984; combined affidavit §§8 and 15.

⁷ Reg. No. 1,371,397, issued on November 19, 1985, which sets forth dates of first use of May 27, 1976; affidavit §8 accepted.

⁸ Reg. No. 1,390,123, issued on April 15, 1986, which sets forth dates of first use of July 23, 1984; combined affidavit §§8 and 15. The phrase "The 1½ calorie breath mint" is disclaimed and the registration issued pursuant to a claim of acquired distinctiveness with respect to "the container/goods design portion."

⁹ Reg. No. 1,390,124, issued on April 15, 1986, which sets forth dates of first use of July 23, 1984; combined affidavit §§8 and 15. The

(9) "TIC TAC 1 1/2 HOUR, 1 1/2 CALORIE BREATH MINT" for "candy mints";¹⁰ and

(10) "BIG PAC FROM TIC TAC" for "candy mints".¹¹

Applicant, in its answer, has denied the salient allegations of the notice of opposition.¹² In addition, in its amended counterclaim, applicant seeks cancellation of opposer's pleaded registration for the "mark consisting of the words TIC TAC and a rectangular container and oval product configuration" on the grounds of fraud and abandonment.¹³ In particular, as to the ground of fraud, applicant alleges that opposer "knew[,] at the time of making the [false] statement alleging five years

phrase "The 1½ calorie breath mint" is disclaimed. In addition, the mark is lined for the colors red and gold, which colors are claimed as a feature of the mark.

¹⁰ Reg. No. 1,145,105, issued on August 4, 1987, which sets forth dates of first use of March 7, 1984; combined affidavit §§8 and 15. The phrase "1 1/2 CALORIE BREATH MINT" is disclaimed.

¹¹ Reg. No. 1,634,928, issued on February 12, 1991, which sets forth a date of first use anywhere of October 13, 1988 and a date of first use in commerce of February 6, 1989. However, inasmuch as such registration, during the prosecution of this proceeding, was canceled pursuant to Section 8 of the Trademark Act, no further consideration will be given thereto.

¹² While applicant has also asserted, as affirmative defenses, that the opposition is barred by the doctrines of "laches," "acquiescence," "estoppel" and "unclean hands" and that opposer "has engaged in a course of conduct which has caused its [TIC TAC] mark to lose its distinctiveness as an indicator of origin," such defenses not only have not been properly pleaded, in that the facts constituting each defense have not been alleged, but in any event the defenses, to the extent that they were even marginally raised at trial and given any mention at all in the briefs, have simply not been proven by a preponderance of the evidence. Accordingly, applicant's putative affirmative defenses must fail.

¹³ Although applicant's amended counterclaim also sought cancellation of such registration on the basis of a claim of functionality of the configuration of the container and the goods, the Board in its February 1, 1993 order granted opposer's motion to dismiss the

substantially exclusive use [of its rectangular container configuration,] that others had made considerable use of virtually identical container configurations during the five years next preceding the date of filing of the application"; that opposer "intentionally made the false statement knowing it was false and knowing that the Patent and Trademark Office would rely on the false statement as a basis for establishing the required showing of distinctiveness without which the Office would not have approved the alleged mark for publication"; and that "[b]ut for the false statement, the ... Office would not have allowed registration of the container and product configuration." As to the ground of abandonment, applicant alleges that opposer "has allowed others to use virtually the same container configuration without licensing such use and without exercising any control over such use"; and that "[s]uch uncontrolled and unlicensed use by others of the container configuration constitutes an abandonment of whatever trademark rights" opposer "may have possessed in the container configuration."

Opposer, in its answer, has denied the salient allegations of the amended counterclaim.

The record includes the pleadings; the file of the involved application; and, as part of opposer's case-in-chief in the opposition, the testimony, with exhibits, of Lyndal L. Shaneyfelt, a private investigator and document examiner, and Fred D. Pompa, a former brand manager and senior brand manager of

functionality ground as a legally insufficient claim which could not be brought against a registration that was over five years old.

"TIC TAC" products for opposer's exclusive United States distributor, Ferrero U.S.A.¹⁴ As the rest of such case-in-chief, opposer submitted notices of reliance upon (i) certified copies of its pleaded registrations showing, in each instance, that the registrations were subsisting and owned by opposer; (ii) copies of various third-party federal registrations; (iii) copies of selected articles extracted from the "NEXIS" computerized database; (iv) copies of summaries, from printed publications, of state laws and regulations relating to distilled spirits; and (v) a copy of a printed publication, entitled Nielsen Station Index "DMA Test Market Profiles 1994," which lists the circulation of major newspapers and other demographic marketing area information pertaining to the geographical areas in which opposer's various "TIC TAC" marks have been advertised.¹⁵

¹⁴ While applicant, in its initial brief, has reiterated its objection, interposed at trial, to "Ferrero's alleged sale of beverages under the marks EstaTHE, Cristallina and Ferrero Cacao" on the asserted basis of a lack of relevance, such objection is overruled in that the evidence is relevant, in particular, to the issue of whether the parties' goods are closely related.

¹⁵ Applicant, in its initial brief, has raised a host of objections to the admissibility and/or relevance of the evidence provided by opposer with its notices of reliance. Insofar as such objections relate to the weight or probative value to be given to certain evidence, they have been considered in our disposition of this case. To the extent, however, that applicant, by its objections, is essentially requesting that certain evidence be stricken as not proper subject matter for introduction by means of a notice of reliance, such requests are barred by the Board's June 12, 1996 order, which precluded both parties "from filing further motions in this case (except for consented motions to extend dates)." In any event, with the possible exceptions of the Nielsen publication and the third-party registrations which are based upon foreign registrations rather than use in commerce (see, e.g., In re Albert Trostel & Sons Co., 29 USPQ2d 1783, 1785-86 (TTAB 1993) and In re Mucky Duck Mustard Co. Inc., 6 USPQ2d 1467, 1470 (TTAB 1988) at n. 6), none of applicant's objections is well taken for the reasons indicated by opposer in its reply brief. Finally, even if the Nielsen publication and the third-party

Applicant, as its case-in-chief as defendant in the opposition and as plaintiff in its counterclaim, submitted the testimony, with exhibits, of Jose Gustavo Herodier Samayoa, its chairman of the board and legal representative, and Louis Joseph Sanserero, the vice president of sales and marketing of Paradise Wholesale Wine & Spirits Company and the president of Sans Wine & Spirits Import Company.¹⁶ However, inasmuch as opposer, during its testimony period for rebuttal in the opposition and as defendant in the counterclaim, did not augment the record by taking any additional testimony or presenting any other evidence,

registrations which are not based upon use in commerce were to be excluded, we note that the result in this case would be unchanged.

¹⁶ We note with dismay and extreme disapproval that, unlike its deposition of Louis Joseph Sanserero, applicant in its deposition of Jose Gustavo Herodier Samayoa has in each instance immediately reproduced, after setting forth in English each question propounded, the corresponding answer thereto in Spanish rather than in English (with a few of the answers being continued on additional pages after intervening questions had been asked and answered) and has furnished English translations of the answers (without reproducing the corresponding questions) on separate pages. Trademark Rule 2.124(e) provides, in relevant part, that in the case of a deposition upon written questions, "[t]he officer designated in the notice [thereof] shall take the testimony of the witness in response to the questions and shall record each answer immediately after the corresponding question." Obviously, such rule presupposes that when a question is propounded in English, it is to be immediately followed by its corresponding answer in English. Likewise, in instances where questions and their answers have to be translated because the witness is not conversant in English, each question, as set forth in English, should be immediately followed by its corresponding answer in English (although, if the party taking the deposition so desires, the foreign language equivalent may also be stated after such answer). The irregular practice followed by applicant, however, has made reading the deposition of Jose Gustavo Herodier Samayoa needlessly difficult and time-consuming, particularly since the Board is not necessarily fluent in Spanish (or, for that matter, any other foreign language). Nevertheless, rather than gleaming whatever probative value which could be discerned, in light of our limited proficiency in Spanish, from the answers set forth by applicant in Spanish, we have in fairness considered the English translations of such answers which applicant furnished on separate pages. Counsel for applicant is strongly cautioned, however, not to repeat such practice in future proceedings.

there consequently was nothing for applicant to rebut during its rebuttal testimony period as plaintiff in the counterclaim. The notice of reliance filed by applicant on the final day of its rebuttal testimony period as plaintiff in the counterclaim plainly constitutes improper rebuttal and accordingly will not be given further consideration.¹⁷ Briefs have been filed¹⁸ and an oral hearing, attended by counsel for the parties, was held.

¹⁷ We note in this regard that opposer, while acknowledging that applicant filed its notice of reliance "at the close of its rebuttal period," has in its initial brief objected to applicant's notice of reliance. Specifically, citing TBMP §718.02(c), opposer argues that such notice "is improper rebuttal and should be stricken from the record," inasmuch as opposer "did not submit evidence as counterclaim-defendant during its testimony period," and that the notice "not only is untimely filed, but also is immaterial and therefore must be stricken from the record" because the notice "did not include evidence that rightly could be deemed 'rebuttal evidence' in any event." While TBMP §718.02(c) provides that "[a]n adverse party may object to a notice of reliance on substantive grounds, such as that evidence offered under the notice constitutes ... improper rebuttal, or is incompetent, irrelevant, or immaterial," it also plainly states that "[e]vidence timely and properly introduced by notice of reliance under the applicable trademark rules generally will not be stricken" and that the Board, instead, "will consider any outstanding objections thereto in its evaluation of the probative value of the evidence at final hearing." Thus, while opposer is correct, as noted above, that applicant's notice of reliance constitutes improper rebuttal since, with respect to the counterclaim, there was no evidence introduced by opposer for applicant to attempt to counter, it is pointed out that the notice itself will not be stricken inasmuch as it was timely filed, the evidence relied upon (consisting of opposer's answers to interrogatories served by applicant and excerpts from printed publications in general circulation) constitutes proper subject matter for a notice of reliance, and at least some of the evidence (although far from most of it) is not immaterial to the issues raised by the counterclaim.

¹⁸ For the sake of completeness, we note that opposer's contested motion to strike the portion of applicant's reply brief which deals with opposer's claim of likelihood of confusion instead of the issues raised by applicant's counterclaim is not well taken. Aside from the fact, as indicated previously, that the Board's June 12, 1996 order precludes the "filing [of] further motions in this case (except for consented motions to extend dates)," it is the practice of the Board, as stated in TBMP §540, "not [to] strike the brief, or any portion thereof, upon motion by an adverse party which simply objects to the contents thereof. Rather, any objections which an adverse party may have to the contents of such a brief will be considered by the Board in its determination of the case, and any portions of the brief which

Turning first to consideration of the counterclaim, suffice it to say that opposer is correct in the assessment in its reply brief that applicant has failed to provide any evidence which substantiates the allegations of fraud and abandonment made with respect to opposer's pleaded registration for its mark which consists principally of the words "TIC TAC" and a rectangular container and oval product configuration design. The counterclaim is accordingly dismissed.¹⁹

As to the opposition, priority is not in issue inasmuch as the certified copies of opposer's extant pleaded registrations show that such registrations are subsisting and owned by opposer. See King Candy Co. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974). In any event, the record also sufficiently establishes, as discussed below, that opposer is the prior user of its pleaded "TIC TAC" marks in the United States. The only real issue to be determined, therefore, is whether applicant's "TIC TACK" and design mark, when used in connection with cane spirit vodka, so resembles one or more of opposer's

are found by the Board to be improper will be disregarded." As to another matter concerning the briefs, the request by applicant, in both its initial and reply briefs, that the Board take judicial notice of various facts which, with respect to the claims of fraud and abandonment raised in the counterclaim, bear on the asserted functionality of both the shape of opposer's mint candy and the rectangular translucent container in which such product is packaged is denied. We fully agree with opposer that, as set forth in its reply brief, none of facts alleged by applicant is proper for judicial notice under Fed. R. Evid. 201(b).

¹⁹ We hasten to add, however, that even if applicant had met its burden of proof as to either or both of the grounds for cancellation, the outcome of the opposition would remain the same in view of the other registrations by opposer for marks which consist of or include the designation "TIC TAC".

previously used and registered "TIC TAC" marks for candy, candy mints and t-shirts that confusion is likely as to the source or sponsorship of the parties' goods.

According to the record, opposer produces various food products, including its "TIC TAC" candy or breath mints, which are exclusively distributed in the United States by Ferrero U.S.A., which is where its witness, Mr. Pompa, is employed as the director of new products. All of the products sold by Ferrero U.S.A. are made by opposer (or its licensee), who according to Mr. Pompa is currently the owner of each of the pleaded "TIC TAC" and other marks, as well as the corresponding registrations therefor, utilized in the marketing of such goods. Ferrero U.S.A., as opposer's exclusive United States distributor, is responsible for advertising and promoting the products of opposer which it sells, managing the sales force for those products, and handling consumer relations. While, in particular, opposer's products have included liqueur-flavored candies sold under such brands as "Mon Cheri" and "Opera," an orange liqueur-flavored snack cake called "Fiesta," and a seasoned tea beverage known as "EstaTHE," only its "Mon Cheri," "Opera" and "Fiesta" products have been sold, in limited volume and mostly for test marketing purposes, in the United States, although some consumer research has been done here with respect to its "EstaTHE" beverage.

Opposer, through Ferrero U.S.A, has sold its "TIC TAC" candy or breath mints in the United States since about 1972. Until around 1975 or 1976, opposer's sales thereof constituted approximately a ten percent share "of the hard roll candy breath

freshener market," but thereafter its "sales began to fall quite dramatically" before beginning a steady rise around 1980 to 1981, which eclipsed its former sales levels by about 1986 to 1987.

(Pompa dep. at 53.) Although advertising of the "TIC TAC" product was halted for one year in 1979, Ferrero U.S.A was able "to turn the business around and slowly re[-]grow it into an important and famous brand" by making the image of the product more adult. (Id. at 55.) Specifically, Ferrero U.S.A. dropped such flavors as wild berry and tangy fruit, added a wintergreen flavor and introduced the slogan "the 1½ calorie breath mint". Together with a continuous increase in advertising, sales of opposer's "TIC TAC" product grew from a low of a two and a half percent market share in 1980 to a 20 to 21 percent market share as of mid-August, 1995, when Mr. Pompa gave his testimony.

At present, opposer's "TIC TAC" goods are available in mint, cinnamon, orange, spearmint and wintergreen flavors, which are typically sold in packs of three and five containers, as well as in single containers, and a "TIC TAC MAXI" version, consisting of larger sized candy mints which are individually wrapped, was introduced around 1991 or 1992. Opposer's "TIC TAC" mark has also been used on various promotional items as t-shirts, hats, jackets, sweatshirts, watches, clocks, calculators, pens, key chains, lighters, golf balls and ring-shaped toss toys.

According to Mr. Pompa, "Tic Tac usage is really quite broad," with opposer's product appealing to children and adults of both sexes, although the product is marketed as "an adult breath freshener". (Id. at 62-63.) Stated otherwise, the "TIC

TAC" product is "used by all, but positioned towards adults, and maybe more specifically, more towards women" for use, among other things, "to freshen breath after smoking, ... eating ... [or] drinking ... ; but because of it's taste it's also used as a rejuvenator, as a little break, as a moment of fun when you're by yourself or even in a social situation of offering it" to others. (Id. at 63-64.)

Ferrero U.S.A., after receiving the "TIC TAC" product from opposer, warehouses it and has its sales force contact brokers, who in turn act as sales agents by directly visiting retail accounts, whose orders are then filled by direct shipments from Ferrero U.S.A. The "TIC TAC" product is sold throughout the United States and is distributed "in just about every class of trade that could possibly carry and would carry confectionery products," including vending machines. (Id. at 66.) Thus, according to Mr. Pompa, "you'll find Tic Tac in supermarkets, in grocery stores, in delicatessens, in news stands, at bars, in liquor stores, in drug [stores, in] convenience [stores], ... [in] theater[s], [in] mass merchandisers, [in] club stores, [in] club warehouse stores ... [and] in ... airport[s]." (Id. at 66-67.) Of these trade channels, Mr. Pompa testified that in "80 percent of the physical stores that could carry a confectionery product you'll find Tic Tac" available for sale. (Id. at 69.)

Furthermore, according to Mr. Pompa, Ferrero U.S.A. is an "extensive" advertiser and promoter of opposer's "TIC TAC" candy or breath mint, which has resulted in such product being "a national brand with widespread national distribution." (Id.) In

particular, Ferrero U.S.A. has expended the bulk of its consumer advertising budget on network television ads, along with some spot market television advertising overlap and participation in cable television and cooperative radio ads. Ferrero U.S.A. has also done print advertising for the "TIC TAC" brand, including billboard ads, newspaper coupons and cooperative ads in retail store flyers as well as ads in such magazines as Better Homes & Gardens, Good Housekeeping, Ladies' Home Journal, McCall's, Redbook, Women's Day and Family Circle. In addition, its promotional activities include sponsorship of "both Winston Cup and Busch" racing cars. (Id. at 71.) Merchandising costs, such as the retail "display tree" rack for the "TIC TAC" product and other point-of-sale activities, such as free product samples and phone cards bearing such mark, annually run "close to a million dollars now". (Id. at 72.) Joint promotions, such as a "TIC TAC" coupon inside the packaging of a "BIC" lighter and an offer of a free "Mon Cheri" chocolate with the purchase of a container of "TIC TAC" candy or breath mints, have also been utilized along with a \$100,000 in prizes instant-win game which featured items such as "TIC TAC" wrist watches and wallets. Additionally, Ferrero U.S.A. promotes opposer's "TIC TAC" product to retailers by providing camera-ready artwork for their advertising and by distributing sell sheets and shelf-talkers.

Since their introduction, sales of "TIC TAC" candy or breath mints in the United States have totaled over 3.3 billion packs or containers, with 40 pellets to a package, representing nearly \$750 million in gross sales volume. In particular, while

gross sales initially were in the range of six million dollars for the fiscal year beginning in 1972, by the close of the fiscal year ending in 1995, annual gross sales were expected to exceed \$78 million. Total advertising and promotional expenditures during such time frame have been in the neighborhood of \$192 million. Furthermore, in a national study of unaided brand awareness conducted in 1993, 55 percent of the respondents were able to identify "TIC TAC" as a brand of breath mints or hard candy mints and it was the second most frequently mentioned brand.²⁰ The "TIC TAC" mark has also received substantial free publicity by being mentioned in numerous publications, movies and television shows. Such instances, which typically lack any reference to the goods in connection with which the "TIC TAC" mark is used, demonstrate that the reader or viewer is expected to have heard of the "TIC TAC" brand and know what the product associated therewith is.

Opposer's "TIC TAC" candy or breath mints, as noted previously, not only appeal to both children and adults, but in particular, as to those in this country who speak Spanish, Mr. Pompa offered the following testimony:

Q. [B]ased on your experience in marketing, can you tell whether there has been a strong Tic Tac presence in those areas

²⁰ Specifically, when asked the question "[w]hen you think of breath mints or hard candy mints, what is the first brand that comes to mind?" and a follow-up question concerning "the brands of breath mints or candy mints [which] you ever heard of," the survey showed unaided brand awareness among consumers of 76 percent for "CERTS"; 55 percent for "TIC TAC"; 37 percent for "LIFESAVERS"; 23 percent for "BREATH SAVERS"; ten percent for "CLORETS"; three percent for "JOLLY RANCHER"; and two percent for "MENTOS". (See "TABLE 3," Opposer's Exhibit 123.)

of the country that are well known for having a high Spanish speaking population?

A. I would say ... Tic Tac does extremely well in those areas, because they tend to be[,] for the most part, the larger metropolitan areas, New York, Miami, southern California, those are really hubs of Hispanic [population].

Also, in Texas ... a lot of Texas is ... the second strongest development for us. So we do very well in those areas.

(Id. at 166-67.) Moreover, as to certain television and print advertising conducted in connection with "TIC TAC" candy or breath mints, Mr. Pompa specifically testified as follows:

Q. [H]as Ferrero [U.S.A.] ever advertised Tic Tac in the Spanish language, to your knowledge?

A. Yes, we have.

Q. Okay. Do you recall any instances of that?

A. It was done in, I believe, not only in Miami, but also in New York, and it's currently being done in Puerto Rico.

(Id. at 179.)

Because of its use, as previously mentioned, in connection with alcoholic beverages as "a method of covering up ... that someone was drinking," opposer's "TIC TAC" mints are often sold in the same channels of trade as alcoholic beverages.

(Id. at 176.) Mr. Pompa, in this regard, testified as follows:

Q. To your knowledge, is Tic Tac, the candy, your product, sold in places that also sell alcoholic beverages, including hard liquor?

A. Absolutely, I know that.

Q. How do you know that?

A. Well, ... just last night I was in a liquor store in New Jersey where they were selling all types of beer, wine, hard spirits, hard liquor and Tic Tac.

Q. Tic Tac, your mint?

A. Absolutely.

Q. Have you seen it in other places as well?

A. I've seen it in other places. I've seen it in California, I mean just about any place that is selling confections is selling Tic Tac. And if confections and alcohol can be sold in the same store, they'll both be carrying it.

(Id. at 174.)

Mr. Pompa additionally observed, according to his testimony, that:

Q. When you were at the liquor store, did you see any liquor products that carried with them trademarks associated with candy?

A. Well, I saw a number of liquor products. I saw Godiva Liqueur. I saw Mossard Liqueur, Mossard is a manufacturer of confectionery products, and there was a third[,] Lazeroni, ... the ... manufacturer of the Amoretto cookies. They had an Amoretto liqueur

Q. How about flavored vodkas, did you see any flavored vodkas?

A. Quite a few I saw different brand names, but similar types of flavors. There was lemon, orange, black currant, cranberry and citrus.

Q. Now, [again,] you indicated that, to your knowledge, Tic Tac is sold in places that also sell alcoholic beverages?

A. Yes, it is.

(Id. at 176-77.)

Mr. Pompa's liquor store experiences are similar to those encountered by Mr. Shaneyfelt, who was hired by counsel for opposer to canvass the Washington, D.C. metropolitan area for stores selling applicant's "TÍC TÁCK" vodka and any liqueurs or spirits which were candy flavored or otherwise related to candy. Mr. Shaneyfelt not only visited several liquor and grocery stores at which he purchased such items, but was additionally able to purchase opposer's "TIC TAC" candy mints from checkout counter displays at two of such establishments. Mr. Shaneyfelt, in the course of his shopping activities at department stores, drug stores, supermarkets and specialty food stores, was also able to purchase numerous confectionery items, including candy, cookies and cakes, which featured various liqueurs as flavorings. He also purchased, primarily at liquor outlets and supermarkets, a variety of mint, fruit and coffee flavored liqueurs and other spirits. In particular, Mr. Shaneyfelt was able to buy several citrus flavored vodkas and a number of mint flavored spirits. Mr. Shaneyfelt's shopping experiences demonstrate that it is not uncommon for consumers to encounter candy flavors for liqueurs and liqueur flavored candies and other confections. Mr. Shaneyfelt, moreover, testified that prior to ever having been retained by opposer's counsel's law firm for his investigative services, he had "certainly" heard of opposer's "TIC TAC" candy product and had, in fact, purchased it "lots of times". (Shaneyfelt dep. at 73.)

Mr. Shaneyfelt admitted on cross-examination, however, that during his shopping excursions on behalf of opposer, he

never encountered any alcoholic beverages or other products, besides those of opposer, which utilized the mark "TIC TAC". He also conceded that the liqueur-flavored candies which he found were chocolate products and that he found no evidence that the names of other breath mint products, such as "CERTS" and "CLORETS," were used in connection with an alcoholic beverage product.

The record additionally indicates that Ferrero U.S.A. has not done any joint promotions involving opposer's "TIC TAC" product and third-party brands of alcoholic beverages. However, with respect to consumers' expectations regarding the relatedness of the parties' goods, the record reveals that in at least six instances, third-parties have registered, on the basis of use in commerce, the same mark for either candy or confectionery products, on the one hand, and alcoholic beverages, on the other. The record also contains numerous articles, primarily from newspapers and magazines, which mention or discuss various fruit-flavored and mint-flavored vodkas. Finally, the record shows that opposer has been diligent in successfully policing its "TIC TAC" mark against various third-party uses of assertedly similar marks.

With respect to applicant and its activities under its "TÍC TÁCK" mark, the record reveals that, since about June 30, 1953, applicant has manufactured and continuously sold in El Salvador a cane spirit vodka which it markets under the mark "TÍC TÁCK". Like opposer, applicant has utilized its mark in connection with various promotional items for its product,

including t-shirts, cups and glasses. As of the July 31, 1996 date of its deposition of Señor Samayoa, applicant's chairman of the board and legal representative, applicant has sold 110 million bottles of its "TÍC TÁCK" cane spirit vodka in El Salvador. Moreover, beginning with a shipment thereof to California on August 20, 1990,²¹ applicant has shipped 300 thousand bottles of its "TÍC TÁCK" cane spirit vodka to the United States.²² Applicant regards the typical customers for its "TÍC TÁCK" cane spirit vodka as, principally, adult men between the ages of 25 to 50. In the United States, such purchasers are primarily immigrants from El Salvador, although immigrants from other Central American countries also buy its goods. While applicant has done a couple of television ads and some radio spots, in addition to print advertising, to promote its goods in

²¹ Applicant, however, has offered no explanation for the discrepancy between such date and the claimed dates of first use of September 10, 1990 which are alleged in the involved application.

²² While Señor Samoyoa, who the parties refer to as Gustavo Herodier, admitted to having seen candy or breath mints bearing the mark "TIC TAC" for sale by opposer in supermarkets in El Salvador since at least as early as the end of the 1970s; that such product is currently being sold in El Salvador; that he is unaware of any instances of actual confusion in El Salvador between such mark and applicant's mark; and that opposer's "TIC TAC" mark, subsequent to the registration of applicant's "TÍC TÁCK" mark, has been registered in El Salvador since June 4, 1970, such facts are legally irrelevant to this proceeding, which solely concerns whether applicant is entitled to register its "TÍC TÁCK" mark for cane spirit vodka in the United States. See, e.g., *Bureau National Interprofessionnel Du Cognac v. International Better Drinks Corp.*, 6 USPQ2d 1610, 1618 (TTAB 1988) ["an applicant's ownership of a foreign registration of its mark is immaterial to applicant's right to register the mark in the United States; similarly, an opposer's right to object to the registration of a mark in the United States is independent of whatever foreign trademark rights the parties may have"], *citing* *Nabisco, Inc. v. George Weston Ltd.*, 179 USPQ 503, 507 (TTAB 1973) and *William Sanderson & Son Ltd. v. Fernandes & Co. Ltd.*, 137 USPQ 165, 166 (TTAB 1963); and *Johnson & Johnson v. Salve S.A.*, 183 USPQ 375, 376 (TTAB 1974).

El Salvador, it has not conducted any advertising, with the possible exception of a few printed ads, of its "TÍC TÁCK" cane spirit vodka in the United States.

Applicant has used the rooster design appearing in its mark in El Salvador since the beginning of 1973 and has always utilized such design on the labels of the bottles of its "TÍC TÁCK" cane spirit vodka which are shipped to and sold in the United States. According to Mr. Sansevero, his company²³ has been importing such product into the United States for approximately three and a half years, averaging about 3,000 cases thereof a year. Mr. Sansevero, who testified that his company has "the import rights for Tíc Táck for the United States including the Virgin Islands," has been selling applicant's cane spirit vodka under the "TÍC TÁCK" mark "in Boston, Washington, Maryland, California, [and] Texas," and is "in the process of opening other states." (Sansevero dep. at 6.) His firm has also done some very limited point-of-sale advertising of applicant's "TÍC TÁCK" goods, in the form of distributing case cards, shelf talkers and window banners to retail customers, and at "[o]ne time ran an advertisement in [a] Latino/Hispanic publication," the name of which Mr. Sansevero could not remember. (Id. at 8.) As to the kinds of retail outlets in which applicant's goods are marketed in the United States, Mr. Sansevero testified that "100 percent

²³ While it has no bearing on the outcome of this proceeding, it simply is not entirely clear from Mr. Sansevero's deposition whether the company which he is referring to in his testimony is Paradise Wholesale Wine & Spirits, which he works for, or Sans Wine & Spirits Import Company, which he owns.

of our sales are ... what they call the off sale mom-and-pop type wine and liquor stores primarily [located] in the inner cities." (Id. at 9.)

Both Señor Samayoa and Mr. Sansevero testified that they are unaware of any instance in which the same company has used an identical mark for both alcoholic beverages and breath mints. Both further noted that they are unaware of any incidents of actual confusion arising in the United States from the contemporaneous use of applicant's "TÍC TÁCK" mark for cane spirit vodka and opposer's use of its various "TIC TAC" marks for candy or breath mints. Señor Samayoa, however, conceded under cross-examination that, except for those established by law, there are no limitations as to who may buy applicant's "TÍC TÁCK" cane spirit vodka and, thus, anyone of legal age may purchase its goods. He also admitted that he is aware of the existence of flavored vodkas, although he professed not to know what brands thereof are sold in the United States or whether any mint flavored vodkas are sold here. Mr. Sansevero, on the other hand, admitted that he was aware of the sale of "many flavored vodkas" in the United States and was able to identify, by brand name, various orange, lemon, black currant and pepper flavored vodkas in addition to noting that there are "many other domestic ... flavored vodkas that I'm not familiar with the brand names [of]". (Id. at 15.)

Mr. Sansevero, moreover, conceded his awareness of instances in which alcoholic beverages and candy are sold in the United States under the same mark, although he was unable to

identify any particular brand. He also testified, as to mint-flavored alcoholic beverages which are sold in the United States and with which he was familiar, that "[i]f I had time to think about it, I could probably come up with ten or 15" brands of such products, naming among others "the DeKuyper, Hiram Walker, [and] Leroux ... mint-type of product called schnapps." (*Id.*)

Lastly, the record establishes that there has been no undue delay by opposer in objecting to applicant's use and attempt to register the "TÍC TÁCK" mark for cane spirit vodka in the United States,²⁴ nor has there been any detrimental reliance, or other material prejudice, experienced by applicant as a result of any inaction on the part of opposer in failing to assert the objection at an earlier time. Opposer, moreover, was unaware of applicant's use and application to register such mark until after the mark was published for opposition and it is clear from the testimony furnished by applicant that, in the absence of priority of use of any of opposer's "TIC TAC" marks in El Salvador, opposer had no basis to complain about applicant's long-standing prior use of its "TÍC TÁCK" mark in that country.

²⁴ While, for instance, a *prima facie* defense of laches requires a showing of unreasonable delay in asserting one's rights against another and material prejudice to the latter as a result of the delay, in the context of an opposition proceeding, such a defense, which involves an objection to the issuance of a registration for a mark, begins to run when the mark in question is published for opposition. See *Lincoln Logs Ltd. v. Lincoln Pre-cut Log Homes, Inc.*, 971 F.2d 732, 23 USPQ2d 1701, 1703 (Fed. Cir. 1992) and *National Cable Television Ass'n, Inc. v. American Cinema Editors, Inc.*, 937 F.2d 1572, 1580, 19 USPQ2d 1424, 1431-32 (Fed. Cir. 1991). Here, opposer promptly commenced this proceeding following the publication of applicant's mark.

With respect to the issue of likelihood of confusion, we find upon consideration of the pertinent factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973), that confusion as to source or affiliation is likely to occur. As a starting point, it is plain that, contrary to applicant's contentions, each of opposer's various "TIC TAC" marks and applicant's "TÍC TÁCK" mark, when considered in their entirety, are substantially similar in sound, appearance, connotation and commercial impression. In particular, the term "TÍC TÁCK" in applicant's mark would have, to an ordinary English speaking consumer in the United States, the same pronunciation as the term "TIC TAC" in opposer's marks since the letter "K" in the former is silent. While applicant's mark also contains a rooster design, the term "TÍC TÁCK" is far more prominently displayed than such design. Similarly, the other Spanish and English words appearing in the mark, which applicant's main brief accuses opposer of "disingenuously" ignoring, plainly are subordinate matter in that they are descriptive, generic or otherwise lacking in trademark significance and are also presented in much smaller sizes of lettering. Overall, as Mr. Shaneyfelt's testimony confirms, it is the term "TÍC TÁCK" in applicant's mark which would be used by prospective purchasers when asking about or calling for applicant's goods and it is that term which comprises the dominant and source distinguishing portion of applicant's mark.

Likewise, in the case of opposer's various "TIC TAC" and design marks, it is the term "TIC TAC" which dominates and

serves as the principal source-indicative portion of those marks and which would be used when looking for or requesting opposer's goods, with the disclaimed descriptive phrases, such as "The 1½ calorie breath mint," and the background designs which form vehicles for display of the term "TIC TAC," clearly constituting subordinate matter. Consequently, and given that the term "TIC TAC" in opposer's marks and the virtually identical term "TÍC TÁCK" in applicant's mark are arbitrary in their connotations when used in connection with the respective goods of the parties, it readily apparent that, on the whole, such marks project or engender essentially the same commercial impression. Their contemporaneous use, in connection with the same or related goods, would therefore be likely to cause confusion as to the origin or affiliation of such products.

Turning, next, to consideration of the respective products in this case, it is well settled that goods need not be identical or even competitive in nature in order to support a finding of likelihood of confusion. Instead, it is sufficient that the goods are related in some manner and/or that the circumstances surrounding their marketing are such that they would be likely to be encountered by the same persons under situations that would give rise, because of the marks employed in connection therewith, to the mistaken belief that they originate from or are in some way associated with the same producer or provider. See, e.g., Monsanto Co. v. Enviro-Chem Corp., 199 USPQ 590, 595-96 (TTAB 1978) and In re International Telephone & Telegraph Corp., 197 USPQ 910, 911 (TTAB 1978).

It is also well settled, in this regard, that the issue of likelihood of confusion must be determined in light of the goods set forth in the opposed application and pleaded registrations and, in the absence of any specific limitations therein, on the basis of all normal and usual channels of trade and methods of distribution for such goods. See, e.g., CBS Inc. v. Morrow, 708 F.2d 1579, 218 USPQ 198, 199 (Fed. Cir. 1983); Squirtco v. Tomy Corp., 697 F.2d 1038, 216 USPQ 937, 940 (Fed. Cir. 1983); and Paula Payne Products Co. v. Johnson Publishing Co., Inc., 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973). Here, applicant's goods are identified in its application as "cane spirit vodka," a designation which, since it is not limited to any particular channels of trade or classes of purchasers, must be considered as encompassing all normal or usual channels of distribution for the product and which includes adults of all income levels and ethnic backgrounds as actual or potential consumers. Similarly, the most pertinent of opposer's goods are broadly identified in its extant registrations as either "candy" or "candy mints" rather than "breath mints".

Here, the record is sufficient to demonstrate that it is not uncommon for consumers to encounter both candy, including mints and liqueur-flavored chocolates, and alcoholic beverages, including mint and other flavors of vodka, which is offered for sale in the same retail outlets, such as wine and liquor stores, supermarkets and specialty food stores, under identical marks. The record, in fact, establishes that there are several third parties which market liqueurs and candies under identical marks.

Moreover, the record, including excerpts from newspaper and magazine articles, shows a recent trend in which a number of companies are selling vodkas having candy flavorings, such as mint and various citrus fruit flavors, and that consumers are accustomed to seeing candies which, like other confections, use certain brands of liqueurs as flavors. Such evidence, along with several third-party registrations for marks which are registered for both candy and alcoholic beverages, demonstrates that the average consumer has become accustomed to encountering such products--often under the identical mark and in the same channels of trade--and would regard them as related goods in the sense that they would be expected to emanate from or be sponsored by or affiliated with the same source.

In consequence thereof, the average consumer would be likely to believe, upon seeing one or more of opposer's "TIC TAC" marks used in connection with its candy or candy mints and applicant's substantially identical "TÍC TÁCK" mark used on or in relation to its cane spirit vodka, that such closely related goods share a common source or sponsor. This conclusion is strengthened by the fact that there is no proof in the record that any other entities, in either the confectionery or alcoholic beverage fields, utilize a mark which consists of or includes the term "TIC TAC" or any phonetic equivalent thereof, such as "TÍC TÁCK".

In addition, the record reflects that, even if opposer's goods were considered to be limited to candy breath mints, confusion would still be likely to occur from the

contemporaneous use of the parties' marks. Not only are such marks, as noted previously, substantially similar in sound, appearance and connotation and virtually identical in overall commercial impression, but in any event candy breath mints and cane spirit vodka are relatively inexpensive goods which are generally bought on impulse by ordinary consumers without the need for deliberation or careful attention to their purchasing decisions. Moreover, as mentioned earlier, opposer's and applicant's goods have in fact been sold in the same wine and liquor stores, with the former, which is used among other things to cover up the odor of alcoholic beverages, typically displayed at the check-out counter. In such circumstances, a purchaser encountering applicant's "TÍC TÁCK" cane spirit vodka could reasonably believe, for example, that the source of opposer's "TIC TAC" candy breath mints has expanded its product line to encompass alcoholic beverages or that the product is a mint-flavored vodka which is produced or marketed under a license from the same entity which sells "TIC TAC" candy breath mints.

Another factor which bears heavily upon our conclusion that confusion is likely is the proven fame of opposer's "TIC TAC" marks. As noted by our principal reviewing court in *Kenner Parker Toys Inc. v. Rose Art Industries Inc.*, 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992), cert. denied, 506 U.S. 862, 113 S.Ct. 181 (1992), "the fifth *duPont* factor, fame of the prior mark, plays a dominant role in cases featuring a famous or strong mark. Famous or strong marks enjoy a wide latitude of legal protection." Contrary to applicant's contentions, the record

establishes that the designation "TIC TAC," both with and without various design elements, is a famous mark in the United States for candy breath mints. Opposer has demonstrated that, since Ferrero U.S.A. re-positioned the product from primarily a candy to a low-calorie breath mint, sales have steadily increased each year and have reached a magnitude where opposer commands approximately a 21 percent market share. Opposer has enjoyed substantial sales of its "TIC TAC" product, amounting to nearly \$750 million in gross sales on a volume of over 3.3 billion packs sold, and its distributor has extensively advertised and promoted the product, with expenditures thereon in the neighborhood of \$192 million. Opposer's "TIC TAC" product is available for sale in 80 percent of retail outlets which could carry a confectionery product and the mark has received frequent publicity by being mentioned in a variety of entertainment media. In fact, an independent national study of unaided brand awareness in 1993 found that 55 percent of the respondents were able to identify "TIC TAC" as a brand of breath mints or hard candy mints and that "TIC TAC" was the second most frequently mentioned brand. Given such proof, there is simply no question but that "TIC TAC" is a famous mark for candy breath mints and that it is entitled to a broad scope of protection. See, e.g., Gillette Canada Inc. v. Ranir Corp., 23 USPQ2d 1768, 1774 (TTAB 1992).

Furthermore, the fact that neither party is aware of any instances of actual confusion in the United States²⁵ does not

²⁵ In addition to the previously noted testimony with respect thereto by applicant's witnesses, "[t]he fact that there have been no

undercut our conclusion that ordinary consumers could reasonably believe, for example, that applicant's "TÍC TÁCK" cane spirit vodka is a new product line emanating from or sponsored by the same source which markets opposer's "TIC TAC" candy breath mints. Applicant's limited sales of its "TÍC TÁCK" product, the meager advertising and promotional expenditures of the brand, and the relatively short period of time during which it and opposer's "TIC TAC" candy or breath mints have been sold contemporaneously in the United States have simply not been so substantial that, if confusion were likely, it would be expected to have occurred. The lack of any incidents of actual confusion is also not dispositive inasmuch as evidence thereof is notoriously difficult to come by, particularly in the case of generally inexpensive products,²⁶ and in any event the test under Section 2(d) of the Trademark Act is likelihood of confusion rather than actual confusion. See, e.g., Gillette Canada Inc. v. Ranir Corp., supra at n. 13; Block Drug Co. v. Den-Mat Inc., 17 USPQ2d 1315, 1318 (TTAB 1989); and Guardian Products Co., Inc. v. Scott Paper Co., 200 USPQ 738, 742 (TTAB 1978).

Finally, to the extent that the differences in the inherent nature of the respective goods and the lack of any known incidents of actual confusion may nevertheless serve to raise a degree of doubt as to our conclusion that confusion is likely, we

instances of actual confusion" is conceded by opposer in its reply brief.

²⁶ See, e.g., Helene Curtis Industries Inc. v. Suave Shoe Corp., 13 USPQ2d 1618, 1623 (TTAB 1989).

resolve such doubt, as we must, against applicant and in favor of opposer as the prior user and registrant here in the United States. See, e.g., Giant Food, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565, 218 USPQ 390, 395 (Fed. Cir. 1983); San Fernando Electric Mfg. Co. v. JFD Electronics Components Corp., 565 F.2d 683, 196 USPQ 1, 2 (CCPA 1977); and Izod, Ltd. v. Zip Hosiery Co., Inc., 405 F.2d 575, 160 USPQ 202, 204 (CCPA 1969).

Decision: The counterclaim is dismissed; the opposition is sustained; and registration to applicant is refused.

R. F. Cissel

G. D. Hohein

L. K. McLeod
Administrative Trademark Judges,
Trademark Trial and Appeal Board